AGENDA: September 24, 2002 **7.1**

CATEGORY: Unfinished Business

DEPT.: Public Works

TITLE: Lease of City-Owned Land—Mountain

View-Los Altos Union High School

District

RECOMMENDATION

Authorize the City Manager to execute a Disposition and Development Agreement (DDA) and a long-term ground lease at nominal rent with the Mountain View-Los Altos Union High School District for a portion of City-owned property at the intersection of Bryant Avenue and Lubich Drive.

FISCAL IMPACT

The City will receive \$1 per year payable in advance in a \$40 lump sum for the lease term and if the option is exercised, a \$10 lump sum for the option term.

BACKGROUND AND ANALYSIS

On July 9, 2002, the City Council authorized staff to meet with representatives of the Mountain View-Los Altos Union High School District (District) to discuss the potential for their long-term use at a minimal rent of a portion of the City-owned property at the intersection of Bryant Avenue and Lubich Drive shown on Attachments 1 and 2 for the Alta Vista High School. The City property is immediately adjacent to the District's Mountain View High School, District offices and the current location of the Alta Vista High School. Alta Vista has been at its present location intermittently since 1986 and most recently since 1996 and is the District's alternative school which primarily serves students deficient in credits or who have other reasons to need an alternative to their regular high school program. The Alta Vista High School program has been recognized for excellence in education.

THE PROPOSED ACTION

The authorization for the City Manager to execute a DDA and ground lease with the District will not approve the location or construction of the school on the City-owned property. This preliminary step is to indicate the City's willingness to make the land available to the District through a long-term ground lease if all necessary steps are completed. These "steps" will be spelled out in the DDA.

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Specifically, once the Council takes this first step, the District will prepare a plan for development of the site and act as lead agency in the planning process, including a full review under the California Environmental Quality Act (CEQA). The review will include the normal public noticing and opportunity for residents to participate as well as the City's participation in the approval process as landowner. The DDA and ground lease will terminate if a project is not approved or is not pursued by the District after approval. The District must also process the proposed project through the offices of the State architect and gain State approval. Finally, the District will need to secure funding.

The DDA and lease will make it clear that this project is supported by the Shoreline Regional Park Community and the nominal rent is in recognition that the existence of the Community has a financial impact on the school district. The Community was created in 1969, and one of its goals was to provide for a balanced community. The land area within the Community does not include housing or schools, and provision of these necessary elements is required to achieve that goal.

TERMS OF THE PROPOSED AGREEMENTS

- Application for Development: Within 12 months of the execution of the DDA, the
 District, acting as the lead agency under CEQA, will begin the formal development
 process for the Alta Vista High School site. The DDA will also allow for City approval of
 the proposed project with the City acting in its capacity as property owner.
- <u>CEQA Review</u>: The application will include the appropriate environmental review under the California Environmental Quality Act (CEQA) and all public noticing as required by law.
- <u>Commence Construction</u>: Within 24 months of the approval of the project by the City of Mountain View, the District will begin construction on the project. The District may request two 12-month extensions of this time frame, subject to the approval of the City Manager.
- <u>Area</u>: The project area shall be approximately 2.3 acres at the rear (south) of the Cityowned property and District shall prepare and file a subdivision map for the parcel, as approved by the City, prior to securing a building permit for the project.
- <u>Access</u>: The site shall have shared access to Bryant Avenue through the City's remaining property.
- <u>Term</u>: Forty years with one 10-year option to renew. The term shall commence upon issuance of a building permit.

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• Rent: One dollar per year with provisions which require a reevaluation and/or escalation of the rent in the event that the Shoreline Community District ceases to exist or its revenue stream is altered.

NEXT STEPS

Staff will finalize the DDA and ground lease based on the terms approved by the City Council.

PUBLIC NOTICING

Agenda posting and 450 neighborhood residents received notice.

Prepared by: Approved by:

Linda DeWald Cathy R. Lazarus
Real Property Manager Public Works Director

Kevin C. Duggan City Manager

LDW/9/CAM 931-09-24-24M^

Attachments: 1. Parcel Location Exhibit

2. Aerial Exhibit

cc: Mr. David Williams
President, Board of Trustees
Mountain View-Los Altos Union High School District
1299 Bryant Avenue
Mountain View, CA 94040-4599

Mr. Rich Fisher Superintendent Mountain View-Los Altos Union High School District 1299 Bryant Avenue Mountain View, CA 94040-4599 AGENDA: September 24, 2002 PAGE: 4

cc: CPM, TPM, RPM, AFASD, File